



GAIL FARBER, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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March 21, 2011

IN REPLY PLEASE
REFER TO FILE: **LD-6
A3581**

TO: Each Supervisor

FROM: Gail Farber *Gail Farber*
Director of Public Works

BOARD MOTION OF FEBRUARY 22, 2011, AGENDA ITEM NOS. 1, 2, AND 3 SINGLE-FAMILY HOME AND SMALL BUSINESS COST IMPACT MITIGATION AND COST EFFICIENCIES IN PERFORMING PERMITTING SERVICES

On February 22, 2011, your Board approved a motion by Mayor Michael D. Antonovich directing the Director of Public Works to report back to your Board in 28 days with alternatives to mitigate the cost impacts on single-family homes and small businesses as well as other opportunities to achieve cost efficiencies in performing plan reviews and inspection of work related to proposed encroachments; connections; or use of road, flood, and sewer rights of way.

Background

During Fiscal Year 2009-10, Public Works issued approximately 19,000 road permits, 400 flood permits, and 70 sewer permits. Service cut and transportation permits represented approximately 80 percent of the 19,000 road permits and were issued online using the County's Simple Permits Application and Tracking System. The remaining permits were issued to customers visiting one of our five regionally located permit offices since they required review of documentation and plans that accompanied the permit application.

We issued 160 road permits for general construction involving single-family homes and 75 permits for small businesses with a building footprint of 10,000 square feet or less. Single-family home and small business permits represented 0.8 percent and 0.4 percent, respectively, of the total number of road permits issued during the last fiscal year. Approximately 40 percent of the 400 flood permits issued and 80 percent of the 70 sewer permits issued involved single-family homes and small businesses with a building footprint of 10,000 square feet or less.

Permits for single-family homes and small businesses typically include driveways, sewer lateral connections in the public road rights of way, and temporary access and 8-inch storm drain connections in the Flood Control District rights of way. In addition, small businesses may be required to construct additional street improvements (parkway drains, sidewalks, trees, street lights, curb and gutter, etc.) in the public road rights of way and construct, modify, or relocate a catch basin in the Flood Control District rights of way.

Cost Efficiency Measures

In an effort to create efficiencies and help mitigate the cost impacts in performing plan checks, permitting, and inspection services, Public Works has implemented some organizational efficiency measures and continues to examine longer term opportunities for technology improvements within the construction permitting process.

As part of a recent internal reorganization, the Permits Section was transferred from Construction Division to Land Development Division within Public Works. This reorganization will enhance the services provided to our permit customers seeking road, flood, and sewer permits. The permit plan check and inspection processes, which were previously handled by two different divisions within Public Works, will now be solely under the purview of Land Development Division. This will provide better control in managing workloads, prioritizing work, and improving turnaround times. In addition, the number of plan check referrals to other divisions will be reduced due the technical knowledge base of the road, flood, and sewer plan checkers in Land Development Division. Cross-training of plan checkers and permit staff will also be implemented. This will not only better control permitting costs, but will produce improved customer service by having more knowledgeable plan checkers and permit staff within the Division.

The Permit and Land Management Solution (PALMS) project, which includes the road, flood, and sewer construction permitting and inspection processes, includes recommendations by Woolpert for technology solutions. These longer term solutions will allow for further efficiencies and provide a framework to allow more complicated permit applications to be submitted and plan checked electronically through the use of web-based technology. This project is currently ongoing; however, due to the economy, a phased implementation approach is being evaluated because of the significant costs involved.

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Cost Mitigation for Small Business and Single-Family Residential Property

Public Works recommends that your Board consider a short term 20 percent discount on the new and increased road and flood permit fees issued to single-family homeowners and small businesses with a building footprint of 10,000 square feet or less. In the event these cost mitigation discounts on road and flood permits create a situation where program revenue does not offset program expenditures, any revenue shortfall will be made up from other appropriate Road Fund and Flood Fund revenue sources, respectively. It is not recommended to discount new sewer fees since this program is General Fund based. The inspection fee increase for a typical sewer lateral connection for a single-family residence or a small business is only increasing by approximately \$14. It is recommended that the discount be applicable for a period of three years after the adoption of the ordinances or until discontinued by your Board, whichever is sooner.

If you have any questions or need further information, please contact me or your staff may contact Dennis Hunter at (626) 458-4006 or dhunter@dpw.lacounty.gov.

MA:ca

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cc: Chief Executive Office (Rita Robinson)
Executive Office

A3581
LDD

AGN. NO. _____

MOTION BY MAYOR MICHAEL D. ANTONOVICH

FEBRUARY 22, 2011

RELATED TO ITEMS #1, 2 and 3

I, **THEREFORE, MOVE** that Board of Supervisors delay the items for 30 days and direct the Department of Public Works to:

- Report back in ²³30 days with alternatives to mitigate the cost impacts on single family homes and small businesses as well as other opportunities to achieve cost efficiencies in performing these permitting services.

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MDA:evo

MOTION

MOLINA _____

RIDLEY-THOMAS _____

YAROSLAVSKY _____

KNABE _____

ANTONOVICH _____

**The Meeting Transcript of
The Los Angeles County Board of Supervisors**



1 THE STATE LAWS THAT YOU ARE SWORN TO UPHOLD? THANK YOU FOR
2 YOUR TIME, ANSWERS AND ATTENTION.

3

4 SUP. ANTONOVICH, MAYOR: ALSO NO. 3?

5

6 ARNOLD SACHS: I'LL PASS ON 3. I MEANT TO TELL YOU. THANK YOU.

7

8 SUP. ANTONOVICH, MAYOR: ON ITEMS 1, 2 AND 3, I'D LIKE TO MOVE
9 THAT WE DELAY THIS ITEM FOR 30 DAYS, DIRECTING THE DEPARTMENT
10 TO REPORT BACK WITH ALTERNATIVES MITIGATING THE COST IMPACTS
11 ON SINGLE-FAMILY HOMES AND SMALL BUSINESSES AS WELL AS
12 OPPORTUNITIES TO ACHIEVE COST EFFICIENCIES IN PERFORMING THESE
13 PERMITTING SERVICES. SO SECOND BY SUPERVISOR RIDLEY-THOMAS,
14 WITHOUT OBJECTION, SO ORDERED.

15

16 SUP. YAROSLAVSKY: 28 DAYS SO THAT IT COMES BACK ON THE AGENDA?

17

18 SUP. ANTONOVICH, MAYOR: OKAY. 28 DAYS.

19

20 SUP. YAROSLAVSKY: IT WILL BE ON THE AGENDA.

21

22 SUP. ANTONOVICH, MAYOR: IT'S ON THE AGENDA. GOOD POINT.

23

24 CLERK SACHI HAMAI: THE FINAL ITEM IS UNDER THE PUBLIC HEARING
25 IS ITEM NO. 5. AND THIS IS THE COMBINED HEARING ON PROJECT NO.